

ORDINANCE NO. 28-97
CHAPTER 14
TO MODIFY THE DEFINITION OF "ELIGIBLE DWELLINGS;" TO
PROVIDE FACTORS IN DETERMINING
SALE PRICE; TO PROVIDE RELIEF FROM THE REPAIR TO-OWN PROGRAM FOR VICTIMS OF
PROPERTY DAMAGE FROM NATURAL DISASTERS

AN ORDINANCE to amend Chapter 14, of the 1984 Detroit City Code by amending Sections 14-10-21, and 14-10-25 and adding Section 14-10-30, to modify the definition of "eligible dwellings", to provide factors in determining sale price of land, to provide relief from the repair-to-own program for victims of property damage from natural disasters.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT THAT:

Section 1. Chapter 14 of the 1984 Detroit City Code be amended as follows: **Section 14-10-21. Definitions.**

For purposes of this article the following words and phrases shall have the meaning respectively ascribed to them by this section:

Dwelling shall mean any residential structures.

Eligible dwellings shall mean a dwelling that is:

1. Unoccupied, and in need of repair.
 2. City-owned;
 3. Acquired through tax reversion or gift;
 4. Feasible for repair.
 5. Not located in a designated redevelopment area where the redevelopment project would conflict or be incompatible with the housing rehabilitation pursuant to this ordinance.
 6. Not being processed for sale, repair under the nuisance abatement ordinance or reacquisition, and
 7. On a list published by the Planning and Development Department; Section 14-10-25.
- (g) In addition to the above requirements, all repair-to-own contractors shall:

1. Pay the sale price for the dwelling at the time that the repair-to-own contract is signed and the quit claim deed is conveyed. The price of properties offered for sale under this ordinance shall be the lowest price as determined by the standard appraisal methods used by the City of Detroit as applied by the Planning and Development Department, which shall include a method that values repair costs. The price shall be reduced by the costs to the repair-to-own contractor for clearing title problems not resolved by the City. The price shall be based on a full and fair exchange of value for value. In calculating the value received by the City from the repair-to-own contractor in the exchange, the Planning and Development Department shall include but not limit itself to:

1. Savings to the City of cost of demolition;
2. Increased tax-base for the City;
3. Savings to the City of maintenance and management of the property;
4. Savings to the City from abatement of potential ownership liability;
5. The value to the public of the repair-to-own contractor's occupancy of the dwelling in reducing the unsafe and unhealthy public conditions described in the findings in Section 14-10-20.
6. All other direct and indirect public benefits resulting from the contractor's ownership of the dwelling.

The Planning and Development Department shall present to the City Council for approval the overall formula and method it uses to calculate sales prices for the repair to own program. Payments due to the City pursuant to this Section shall be made at the time that the deed is conveyed to the repair-to-own contractor unless the parties negotiate a reasonable installment payment agreement which shall be incorporated into the repair-to-own contract.

Section 14-10-30. Displaced victims of property damage by natural disaster.

(a) Displaced victims of dwellings damaged beyond rehabilitation as determined by the Buildings and Safety Engineering Department by natural disasters shall be eligible for the repair to own program and shall be provided access to the list of City-owned dwellings eligible for the repair-to-own program. Natural disasters shall be events that result in a declaration of emergency by the City

(b) If, at the time of the natural disaster, the inventory of City-owned residential property is greater than or equal to the number of dwellings determined by Buildings and Safety Engineering to be damaged beyond rehabilitation, then the Planning and Development Department shall, to the extent required, make eligible for purchase by disaster victims a number of City-owned dwellings equal to or greater than the number of dwellings damaged beyond rehabilitation as determined by Buildings and Safety Engineering to the extent permitted by law.

(c) The sale price to repair-to-own contractors who are displaced victims of property damage by natural disaster shall include as valuable consideration received by the City all direct and indirect public benefits from rehabilitating displaced and homeless citizens, including but not limited to their return to property tax paying status.

Section 2. If any section, subsection, sentence, clause, phrase, portion, or application of this article is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such decision shall not affect the validity of the remaining portions thereof.

Section 3. This ordinance is declared necessary for the preservation of the public peace, health, safety and welfare of the people of the City of Detroit and is hereby given immediate effect.

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Passed:

Approved: Published: Effective:

July 22, 1997 July 30, 1997

August 7, 1997 August 12, 1997 August 12, 1997

JACKIE L. CURRIE

City Clerk